

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

2025:PHHC:127747



124

**CRM-M-52096-2025
Date of decision: 16.09.2025**

Ozone Media Comm. Private Limited and others

....Petitioner(s)

V/s

M/s Star Digital Network

....Respondent(s)

CORAM: HON'BLE MR. JUSTICE SUMEET GOEL

Present: Mr. Ramnish Puri, Advocate for the petitioners.

SUMEET GOEL, J. (Oral)

1. The present petition under Section 528 of the BNSS, 2023 has been preferred by the petitioner impugning the order dated 11.05.2023 (Annexure P-1) passed by the learned Additional Sessions Judge, Karnal to the extent, that the execution of sentence and order appealed against has been suspended *qua* petitioners No.2 & 3 (herein) subject to depositing of 20% of the amount of compensation. The petitioners are also seeking quashing of the order dated 19.07.2025 (Annexure P-8) passed by learned Additional Sessions Judge, Karnal whereby application seeking waiving of direction of deposit of 20% compensation has been dismissed. The relevant portion of the above said impugned orders read thus:

*“Present : Appellant-convict on bail assisted by Sh. Rajbir Singh,
Advocate.*

*In compliance of the order dated 09.05.2023 surety bonds
furnished, accepted and attested. Let notice of the appeal be issued
to respondent-complainant for 03.10.2023 on filing of PF, copy
etc. and trial Court's record be also requisitioned for the date*

fixed. Copy of this order be sent to the Court concerned for information and necessary action.

Appellant/convict shall deposit 20% of cheque amount on or before the date fixed as per amended section 148 of Negotiable Instrument Act, 1881.”

11.05.2023

*(Anil Kumar)
ASJ, Karnal
(UID No.HR0495)*

*“Present: Appellant-convict on bail assisted by Sh. Rajbir Singh, Advocate.
Sh. Rajan Gupta, counsel for the respondent.*

Misc.Arguments dated 03.10.2023 moved by applicants-accused seeking waiving off direction of deposit of 20% of compensation amount as directed by the Court vide order dated 11.05.2023.

2. The sole reason seeking waiving off is the bad financial condition of appellants. The application is opposed vide detailed reply wherein as many as four preliminary objections were also raised and it is asserted that application is moved just to delay the proceedings as otherwise applicant-accused are statutory bound and they have the resources to comply court directions.

3. Since, it has come on record from impugned judgment dated 12.04.2023 that appellants-accused have failed to repay sum amounting to 50 lac despite issuance of cheque regarding thereto, hence, it cannot be said that the appellants have no resources to pay 20 lac i.e. 20% of compensation amount. Such applications are liberally allowed, the very purpose of incorporation of section 143 & 148 NI Act would defeat. This Court found no merit in the application and same is hereby dismissed with cost of 11,000/- to be paid by the appellant to the respondent-complainant on next date of court hearing as a condition precedent to proceed further in the present appeal.

4. Matter to come up on 12.08.2025 awaiting payment of cost and 20% of compensation amount.

19.07.2025

*(Jasbir Singh Kundu)
(UID No. HR0069)
Addl. Sessions Judge-1, Karnal*

2. Learned counsel for the petitioners has argued that the petitioners No.2 & 3 are not in a position to deposit the said amount of 20%

of the compensation amount as awarded by the trial Court on account of financial difficulty. Learned counsel has further argued that due and requisite opportunity was not afforded to the petitioner before passing of the impugned order dated 11.05.2023 wherein condition for deposit of 20% of the amount of the compensation has been stipulated by the learned Sessions Court. Learned counsel has further iterated that imposition of such condition of deposit of 20% of the amount of compensation as awarded by the learned trial Magistrate would effectively amount to taking away the right of appeal of the petitioners. Thus, it has been submitted that the impugned order be quashed, to the extent, that a condition of deposit of 20% of the amount of compensation as awarded by the trial Court, has been imposed.

3. I have heard learned counsel for the petitioners and perused the paper-book.

4. Section 148 of the Negotiable Instruments Act, introduced through the 2018 amendment, empowers appellate courts to mandate the deposit of at least 20% of the fine or compensation amount by the accused as a condition for hearing an appeal against a conviction in cheque dishonour cases under Section 138. This provision aims to address the prolonged litigation faced by complainants and mitigate delays in receiving compensation, ensuring a balance between the accused person's right to appeal and the complainant's right to speedy justice. The amount deposited can be released to the complainant, reflecting the legislative intent to provide timely relief and deter frivolous appeals.

At this juncture, it would be apposite to refer herein to a judgment passed by the Hon'ble Supreme Court titled as ***Jamboo Bhandari vs. M.P. State Industrial Development Corporation Ltd. & Ors. 2023 (10) SCC 446***; relevant whereof reads as under:

“6. What is held by this Court is that a purposive interpretation should be made of Section 148 of the N.I. Act. Hence, normally, Appellate Court will be justified in imposing the condition of deposit as provided in Section 148. However, in a case where the Appellate Court is satisfied that the condition of deposit of 20% will be unjust or imposing such a condition will amount to deprivation of the right of appeal of the appellant, exception can be made for the reasons specifically recorded.

7. Therefore, when Appellate Court considers the prayer under Section 389 of the Cr.P.C. of an accused who has been convicted for offence under Section 138 of the N.I. Act, it is always open for the Appellate Court to consider whether it is an exceptional case which warrants grant of suspension of sentence without imposing the condition of deposit of 20% of the fine/compensation amount. As stated earlier, if the Appellate Court comes to the conclusion that it is an exceptional case, the reasons for coming to the said conclusion must be recorded.

8. The submission of the learned counsel appearing for the original complainant is that neither before the Sessions Court nor before the High Court, there was a plea made by the appellants that an exception may be made in these cases and the requirement of deposit or minimum 20% of the amount be dispensed with. He submits that if such a prayer was not made by the appellants, there were no reasons for the Courts to consider the said plea.

9. We disagree with the above submission. When an accused applies under Section 389 of the Cr.P.C. for suspension of sentence, he normally applies for grant of relief of suspension of sentence without any condition. Therefore, when a blanket order is sought by the appellants, the Court has to consider whether the case falls in exception or not.”

5. The convict bears the onus of demonstrating exceptional circumstances to persuade the appellate court to waive the mandatory deposit of compensation under Section 148 of the Negotiable Instruments Act. Considering the legislative intent behind the provision, which seeks to expedite justice and alleviate the complainant's hardship due to prolonged litigation, it is generally appropriate for the appellate court to impose this condition when an appeal is filed against a conviction under Section 138. Such a requirement ensures that the complainant is not unjustly deprived of

compensation while safeguarding the appellate process from frivolous or dilatory tactics. Under Section 148 of the Negotiable Instruments Act, the requirement to deposit the compensation amount as a condition for appeal is generally mandatory, emphasizing its status as a rule.

The Hon'ble Supreme Court in a judgment titled as ***Muskan Enterprises & Anr. Vs. The State of Punjab 2024 INSC 1046***, has held thus:

“xxxxxxxxxxxxxxxxxxxx. While there can be no gainsaying that normally the discretion of the Appellate Court should lean towards requiring a deposit to be made with the quantum of such deposit depending upon the factual situation in every individual case, more so because an order under challenge does not bear the mark of invalidity on its forehead, retention of the power of such court not to order any deposit in a given case (which in its view and for the recorded reasons is exceptional) and calling for exercise of the discretion to not order deposit, has to be conceded. xxxxxxxxxxxxxxxx.”

Ergo, the ratio decidendi of the judgments of the Hon'ble Supreme Court in cases of ***Jamboo Bhandari*** (supra) and ***Muskan Enterprises*** (supra) enunciates that the appellate Court holds the discretion to waive this condition only in exceptional circumstances. Such circumstances must be demonstrated through compelling and substantiated material provided by the appellant-convict. Absent such cogent material, it would be inappropriate for appellate Court to impose such condition. This approach ensures adherence to the legislative intent, discouraging frivolous appeals and protecting the interests of the complainant.

5.1. Applying the ratio decidendi of the judgments in the case of ***Jamboo Bhandari*** case (supra) and ***Muskan Enterprises*** (supra), no ground is made out to quash/modify the condition imposed vide the impugned order

whereby the petitioners No.2 & 3 have been directed to deposit 20% of the amount of the compensation as awarded by the learned trial Magistrate. The ground pleaded by the petitioners that they are facing financial difficulty cannot be said to be a ground sufficient enough for carving out an exception from the mandate contained in Section 148 of the Negotiable Instruments Act, 1881. It also cannot be said, in the facts and circumstances of the present case, that imposition of the condition of deposit of 20% of the amount of compensation as awarded by the learned trial Magistrate can be said to be unjust or would amount to effectively taking away the right of appeal of petitioner. Thus, the impugned order does not suffer from any infirmity *nay* legal infirmity calling for any interference by this Court. Accordingly, the petition in hand is dismissed.

6. In the totality of factual milieu of the case in hand, the costs of Rs.11,000/- as imposed upon petitioners, vide order dated 19.07.2025 (Annexure P-8), is waived off.

7. Pending application(s), if any, shall also stand disposed off.

8. Nothing said hereinabove shall be deemed to be an expression of opinion upon merits of the appeal pending before the learned Sessions Court.

(SUMEET GOEL)
JUDGE

September 16, 2025
Naveen

Whether speaking/reasoned:	Yes/No
Whether reportable:	Yes/No